



January 12, 2010

## HOUSE BILL No. 1205

DIGEST OF HB 1205 (Updated January 12, 2010 10:47 am - DI 96)

**Citations Affected:** IC 5-10.2; noncode.

**Synopsis:** PERF and TRF COLAs; 13th checks. Provides for a cost of living adjustment (COLA) and thirteenth check for public employees' retirement fund (PERF) and teachers' retirement fund (TRF) members, survivors, and beneficiaries.

**Effective:** July 1, 2010.

**Niezgodski**

January 7, 2010, read first time and referred to Committee on Labor and Employment.  
January 12, 2010, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

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HB 1205—LS 6997/DI 102+



January 12, 2010

Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

## HOUSE BILL No. 1205

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-10.2-5-44 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2010]: **Sec. 44. (a) The pension portion (plus post retirement**  
4 **increases to the pension portion) provided by employer**  
5 **contributions of the monthly benefit payable after June 30, 2010,**  
6 **to a member of the Indiana state teachers' retirement fund (or to**  
7 **a survivor or beneficiary of a member of the Indiana state**  
8 **teachers' retirement fund) who retired or was disabled on or**  
9 **before December 1, 2009, shall be increased by one percent (1%).**  
10 **(b) The increase specified in this section:**  
11 **(1) is based on the date of the member's latest retirement or**  
12 **disability;**  
13 **(2) does not apply to benefits payable in a lump sum; and**  
14 **(3) is in addition to any other increase provided by law.**  
15 SECTION 2. IC 5-10.2-5-45 IS ADDED TO THE INDIANA CODE  
16 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
17 1, 2010]: **Sec. 45. (a) The pension portion (plus post retirement**

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increases to the pension portion) provided by employer contributions of the monthly benefit payable after June 30, 2010, to a member of the public employees' retirement fund (or to a survivor or beneficiary of a member of the public employees' retirement fund) who retired or was disabled on or before December 1, 2009, shall be increased by one percent (1%).

(b) The increase specified in this section:

(1) is based on the date of the member's latest retirement or disability;

(2) does not apply to benefits payable in a lump sum; and

(3) is in addition to any other increase provided by law.

SECTION 3. [EFFECTIVE JULY 1, 2010] (a) As used in this SECTION, "fund" refers to the Indiana state teachers' retirement fund established by IC 5-10.4-2-1.

(b) Not later than October 1, 2010, the fund shall pay the amount determined under subsection (c) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled on or before January 1, 2009, and who is entitled to receive a monthly benefit on July 1, 2010. The amount is not an increase in the pension portion of the monthly benefit.

(c) The amount paid under this SECTION to a member of the fund (or to a survivor or beneficiary of a member) who meets the requirements of subsection (b) is determined as follows:

If a Member's Creditable	The Amount Is:
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Service Is:	
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At least 5 years, but less than 10 years	\$125
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(only in the case of a member receiving disability retirement benefits)

At least 10 years, but less than 20 years	\$235
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At least 20 years, but less than 30 years	\$325
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At least 30 years	\$400
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(d) The creditable service used to determine the amount paid to a member (or a survivor or beneficiary of a member) under this SECTION is the creditable service that was used to compute the member's retirement benefit under IC 5-10.2-4-4 except that partial years of creditable service may not be used to determine the amount paid under this SECTION.

(e) This SECTION expires January 1, 2011.

SECTION 4. [EFFECTIVE JULY 1, 2010] (a) As used in this SECTION, "fund" refers to the public employees' retirement fund established by IC 5-10.3-2-1.

(b) Not later than October 1, 2010, the fund shall pay the

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1 amount determined under subsection (c) to a member of the fund  
 2 (or to a survivor or beneficiary of a member) who retired or was  
 3 disabled on or before December 1, 2009, and who is entitled to  
 4 receive a monthly benefit on July 1, 2010. The amount is not an  
 5 increase in the pension portion of the monthly benefit.

6 (c) The amount paid under this SECTION to a member of the  
 7 fund (or to a survivor or beneficiary of a member) who meets the  
 8 requirements of subsection (b) is determined as follows:

9 If a Member's Creditable	The Amount Is:
10 Service Is:	
11 At least 5 years, but less than 10 years 12 (only in the case of a member receiving 13 disability retirement benefits)	\$125
14 At least 10 years, but less than 20 years	\$235
15 At least 20 years, but less than 30 years	\$325
16 At least 30 years	\$400

17 (d) The creditable service used to determine the amount paid to  
 18 a member (or a survivor or beneficiary of a member) under this  
 19 SECTION is the creditable service that was used to compute the  
 20 member's retirement benefit under IC 5-10.2-4-4 except that  
 21 partial years of creditable service may not be used to determine the  
 22 amount paid under this SECTION.

23 (e) This SECTION expires January 1, 2011.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1205, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 8, after "disabled" insert "**on or**".

Page 1, line 9, delete "January 1, 2010," and insert "**December 1, 2009,**".

Page 2, line 5, after "disabled" insert "**on or**".

Page 2, line 5, delete "January 1," and insert "**December 1, 2009,**".

Page 2, line 6, delete "2010,".

Page 2, line 18, after "disabled" insert "**on or**".

Page 2, line 18, delete "January 1, 2010," and insert "**January 1, 2009,**".

Page 3, line 3, after "disabled" insert "**on or**".

Page 3, line 3, delete "January 1, 2010," and insert "**December 1, 2009,**".

and when so amended that said bill do pass.

(Reference is to HB 1205 as introduced.)

NIEZGODSKI, Chair

Committee Vote: yeas 9, nays 0.

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